

*D. The annual statement shall:**(1) Be provided to a policyholder on a separate form;**(2) Be provided to a policyholder by:**(a) First-class mail; or**(b) Delivery by electronic means in accordance with Insurance Article, §27-601.2, Annotated Code of Maryland;**(3) Be clear and specific;**(4) State that the percentage deductible will be applied to a covered loss if:**(a) The residential property is located in any part of the State for which a hurricane warning has been issued by the National Hurricane Center of the National Weather Service; and**(b) The covered loss was sustained while a hurricane warning was in effect, or within 24 hours following termination of the last hurricane warning issued, for any part of the State in which the residential property is located; and**(5) Include the following statement or a substantially similar statement:**Your homeowner's insurance policy contains a percentage deductible, which means that, under certain circumstances, your deductible for a covered loss will be determined by multiplying the dollar amount of your Coverage A — Dwelling Limit of Liability by this percentage. The examples below are for illustrative purposes only.**If, at the time of a covered loss, a homeowner's insurance policy's Coverage A — Dwelling Limit of Liability is \$300,000 and the policy includes a 2% deductible, the policyholder will be responsible for paying a deductible of \$6,000 on a claim for a covered loss (\$300,000 × 2%). This means that, for example:**If the covered loss to the dwelling is \$25,000 and the covered loss to personal property is \$10,000 for a total covered loss amount of \$35,000, the policyholder is responsible for paying a \$6,000 deductible and the insurer is responsible for the balance of the covered loss, or \$29,000.**If the covered loss to the dwelling is \$5,000, the policyholder is responsible for paying the entire covered loss because the total amount of the covered loss is less than the percentage deductible, which is \$6,000.**Please review your homeowner's insurance policy to determine your percentage deductible, your Coverage A — Dwelling Limit of Liability, and under what circumstances this percentage deductible will be applied.**E. An insurer may mail the annual statement that is required by this regulation with the annual summary statement that is required by Insurance Article, § 19-205, Annotated Code of Maryland.*THERESE M. GOLDSMITH
Insurance Commissioner

Title 32

MARYLAND DEPARTMENT OF AGING

Subtitle 02 PROVIDER REGULATIONS

32.02.01 Certificate of Registration for Continuing Care Facilities and Providers

Authority: Human Services Article, §10-403 Annotated Code of Maryland

Notice of Proposed Action

[12-349-P]

The Secretary of Aging proposes to amend Regulation .13 under **COMAR 32.02.01 Certificate of Registration for Continuing Care Facilities and Providers**.

Statement of Purpose

The purpose of this action is to modify the filing fee for the renewal fee for a Certificate of Registration so the fees cover the operational costs of the Department's Continuing Care Division.

Comparison to Federal Standards

There is no corresponding federal standard to this proposed action.

Estimate of Economic Impact

I. Summary of Economic Impact. Human Services Article, Title 10, Subtitle 4, Annotated Code of Maryland, charges the Maryland Department of Aging (Department) with regulating continuing care retirement communities (CCRCs) to protect elderly residents. Human Services Article, §10-403, Annotated Code of Maryland, authorizes the Department to charge filing fees. Fees are charged to file an annual renewal application for a Certificate of Registration. These fees will be increased to generate the additional funds needed to decrease the amount of funds expended from the General Fund to perform the regulatory oversight of the continuing care industry. The fees will be increased on a per unit basis.

II. Types of Economic Impact.	Revenue (R+/R-)	
	Expenditure (E+/E-)	Magnitude
A. On issuing agency:		
Certificate renewal fees	(R+)	\$161,900
B. On other State agencies:	NONE	
C. On local governments:	NONE	
	Benefit (+) Cost (-)	
	Magnitude	
D. On regulated industries or trade groups:		
Certificate renewal fees	(-)	\$161,900
E. On other industries or trade groups:	NONE	
F. Direct and indirect effects on public:	(+)	Indeterminable

III. Assumptions. (Identified by Impact Letter and Number from Section II.)

A and D. Based on the number of FY14 projected certified continuing care units of 16,190, a fee increase of \$10 per unit would generate \$161,900 for FY14.

F. This action will indirectly benefit the public by moving regulatory costs from the general public to the regulated entities.

Economic Impact on Small Businesses

The proposed action has minimal or no economic impact on small businesses.

Impact on Individuals with Disabilities

The proposed action has no impact on individuals with disabilities.

Opportunity for Public Comment

Comments may be sent to Martha Roach, Chief, Continuing Care Division, Maryland Department of Aging, 301 West Preston Street, Suite 1007, Baltimore MD 21201, or call 410-767-1100, or email to MROACH@ooa.state.md.us, or fax to 410-333-7943. Comments will be accepted through January 28, 2013. A public hearing has not been scheduled.

.13 Application for Renewal Certificate of Registration.

A.—B. (text unchanged)

C. The application for a renewal certificate of registration shall include the following information and attachments:

(1)—(11) (text unchanged)

(12) A renewal fee of [\$18] \$28 per unit;

(13)—(16) (text unchanged)

D.—G. (text unchanged)

GLORIA LAWLAH
Secretary of Aging